



United States Department of Agriculture
Rural Development
Montana State Office

EXHIBIT 18

DATE Jan. 14, 2013

HB 6 + 11

January 10, 2013

City of Deer Lodge
Mary Ann Fraley, Mayor
300 Main Street
Deer Lodge, MT 59722

RE: Wastewater System Improvement Project

Proposed funding package:

| | | |
|--------------------------------------|---------------------|-------------------------------|
| City of Deer Lodge | \$ 465,000 | |
| MT DNRC-RRGL | \$ 100,000 | |
| MT DOC TSEP | \$ 500,000 | |
| <u>USDA RD (application request)</u> | <u>\$10,710,000</u> | (\$5,636,000 L \$5,074,000 G) |
| Total | \$11,775,000 | |

Dear Mayor Fraley:

We are very appreciative of the effort you and your team have put forward to facilitate this project and look forward to wrapping up your request within this funding cycle.

The required NEPA review for your project is taking longer than anyone planned due to the proximity of the City's waste water lagoons to the Grant-Korhs Ranch. The USDA Rural Development funding cannot be facilitated until the NEPA process has been finalized.

The retention of the State Grant funds is critical to development and affordability of the project.

Sincerely,

STEVEN P. TROENDLE
Community Programs Director

Ecc: Nancy Cormier, Morrison-Maierle Engineering, Helena, MT
Becky Beard, BETA, Elliston, MT
Matthew J. Jones, State Director, USDA RD

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